

Arizona  
Department of Economic Security  
Community Services Block Grant  
State Plan 2015-2016

Legislative Hearing  
August 6, 2014



# Community Services Block Grant (CSBG) - Purpose

To provide assistance to States and local communities, working through a network of community action agencies and other neighborhood organizations, for the reduction of poverty, the revitalization of low-income communities, and the empowerment of low-income families and individuals in rural and urban areas to become fully self-sufficient.

There are 1.2 million persons in poverty in Arizona.



# Three Focal Points

- **Family** - Programs promoting self-sufficiency, family stability, addressing barriers to employment, effective use of income
- **Community** – Programs that benefit low-income neighborhoods and the community at large
- **Agency** – Improving local agency capacity through training and technical assistance, monitoring and oversight



# Six National Goals

- Goal 1. Low-income people become more self-sufficient. **(Family)**
- Goal 2. The conditions in which low-income people live are improved. **(Community)**
- Goal 3. Low-income people own a stake in their community. **(Community)**
- Goal 4. Partnerships among supporters and providers of services to low-income people are achieved. **(Agency)**
- Goal 5. Agencies increase their capacity to achieve results. **(Agency)**
- Goal 6. Low-income people, especially vulnerable populations, achieve their potential by strengthening family and other supportive systems. **(Family)**



# Areas Addressed

Eligible entities in Arizona are required to provide a range of services and activities that have a measurable impact on the causes of poverty and to design their programs to assist low-income participants.

Problems areas to be addressed:

- Employment
- Better Use of Income
- Use of Other Program
- Emergency Needs
- Starvation and Malnutrition
- Education
- Housing



# State Administration

The Arizona Department of Economic Security is the designated State agency responsible for the administration of the Community Services Block Grant including program planning, development, contracting, reporting, and monitoring.

The Department works closely with the Community Action Network and the State Association in the development of the State Plan as well as the annual reporting of outcomes.



# Federal Appropriation

- Federal Fiscal Year 2014: **\$5,681,438**
- Federal Fiscal Year 2013: **\$5,524,074**
- Federal Fiscal Year 2012: **\$5,504,936**
- Federal Fiscal Year 2011: **\$6,349,902**
- Federal Fiscal Year 2010: **\$5,606,581**



# Distribution of CSBG Funds

100% Federal Funds – no match required

- 90% of funds to eligible entities
- 5% of funds to State for Administration
- 5% of funds for discretionary purposes





# Funding Formula

<b>Poverty Factor</b>	<b>Unemployment Factor</b>	<b>Rural Factor</b>	<b>Tribal Adjustment*</b>	<b>Migrant / Seasonal Farmworker Adjustment</b>	<b>Minimum Funding Variable</b>
85%	10%	5%	Yes	2%	\$150K

\*Four tribes receive approximately 15-20 percent of the State's gross allocation. American Indian populations residing on reservations receiving separate CSBG allocations are excluded from the funding formula.



# Discretionary Funding Priorities

- Statewide Coordination and Communication Amongst Eligible Entities
- Training and Technical Assistance
- Emergency and Disaster Assistance
- Special Projects

In partnership with Arizona Community Action Association, a 501(c)(3) non-profit agency created in 1967 to address poverty across Arizona, statewide coordination and communication and training and technical assistance are provided.



# How is an Agency Designated?

Agencies designated prior to the Omnibus Budget Reconciliation Act of 1981 are 'grandfathered'.

Service territories are designated by the State.

For newly designated entities, the CSBG Act requires states to indicate preference for private non-profit agencies in its competitive process.

Non-profit agencies must seat a tripartite board that consists of 1/3 low-income representatives, 1/3 elected officials and 1/3 representatives of private organizations with interests in the community, such as local businesses, utility companies and other community service providers. Public agencies are required to fulfill the 1/3 low income representative requirement.



# Arizona's Eligible Entities

- City of Phoenix Human Services Department
- Mesa Community Action Network
- City of Glendale Community Action Program
- Maricopa County Human Services Department - balance of Maricopa
- Pima County Community Action Agency
- Northern Arizona Council of Governments – Yavapai, Apache, Navajo Counties
- Coconino County Community Services Department
- Western Arizona Council of Governments – Mohave, Yuma, La Paz Counties
- Southeastern Arizona Community Action Program – Greenlee, Graham, Cochise, Santa Cruz Counties
- Community Action Human Resources Agency – Pinal County
- Gila County Community Action Agency
- Portable, Practical, Education Preparation, Inc. – Statewide



# Subcontracted Services

Large eligible entities may write subcontracts for provision of services to ensure equitable coverage across the agency's service area.

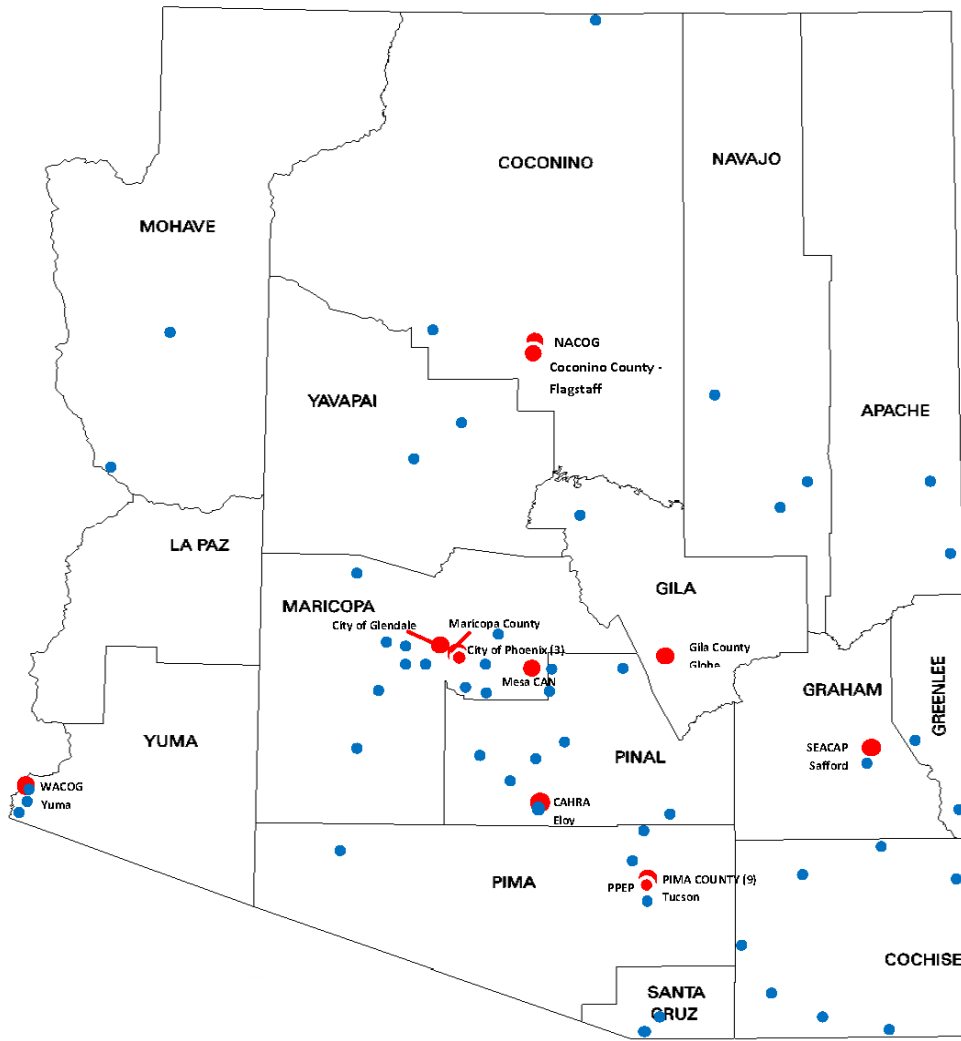
Some of the county governmental and quasi-governmental agencies subcontract CSBG and related services to local agencies.

Several public agencies contract with faith based organizations to provide services in their communities.

All subcontracts must be approved by ADES/DAAS and follow State procurement rules.



# Service Delivery



## Legend

- CAA Business Office
- Service Locations



# Range of Services

Upon completion of the required community action plan, each agency sets forth strategies or activities that will ensure goal attainment and subsequently address identified problem areas. Strategies to be applied may include, but are not limited, to the following:

- Advocacy
- Basic Education
- Case Management
- Information and Referral
- Coordination
- Emergency Services
- Clothing
- Food
- Financial Assistance
- Home Repair/Adaptation Renovation
- Housing Search Relocation
- Job Development and Placement
- Outreach
- Transportation
- Volunteer Coordinator Services
- Volunteer Income Tax Preparation Assistance (VITA)

Programmatic Assurance '676(b)(1)



# How is Coordination Accomplished?

- Partnership with both public and private organizations, as well as faith-based organizations, throughout their communities to address the issues of poverty in their local areas.
- Infrastructure and operations (co-location) with other programs through high impact services such as intensive case management, counseling and programs that encourage better use of available income, and sponsoring events and forums to encourage engagement of the low-income community.
- Referrals made for Job training in coordination with the federal Workforce Investment Act programs and to local childcare programs.





# Arizonans Served

SFY	Total Served**	Families*	Children*	Seniors 55 and over*	Persons with Disabilities*
2013	165,464	55,726	67,336	23,429	26,485
2012	227,126	63,248	73,770	25,751	25,751
2011	206,495	62,140	78,844	20,977	28,515
2010	180,983	59,045	75,105	18,359	25,583
2009	184,352	55,910	68,062	16,537	22,965

\*duplicated  
\*\*unduplicated

In SFY 2013:

78.5% total served are below 100% of Federal Poverty Level

42% total served are below 50% of Federal Poverty Level

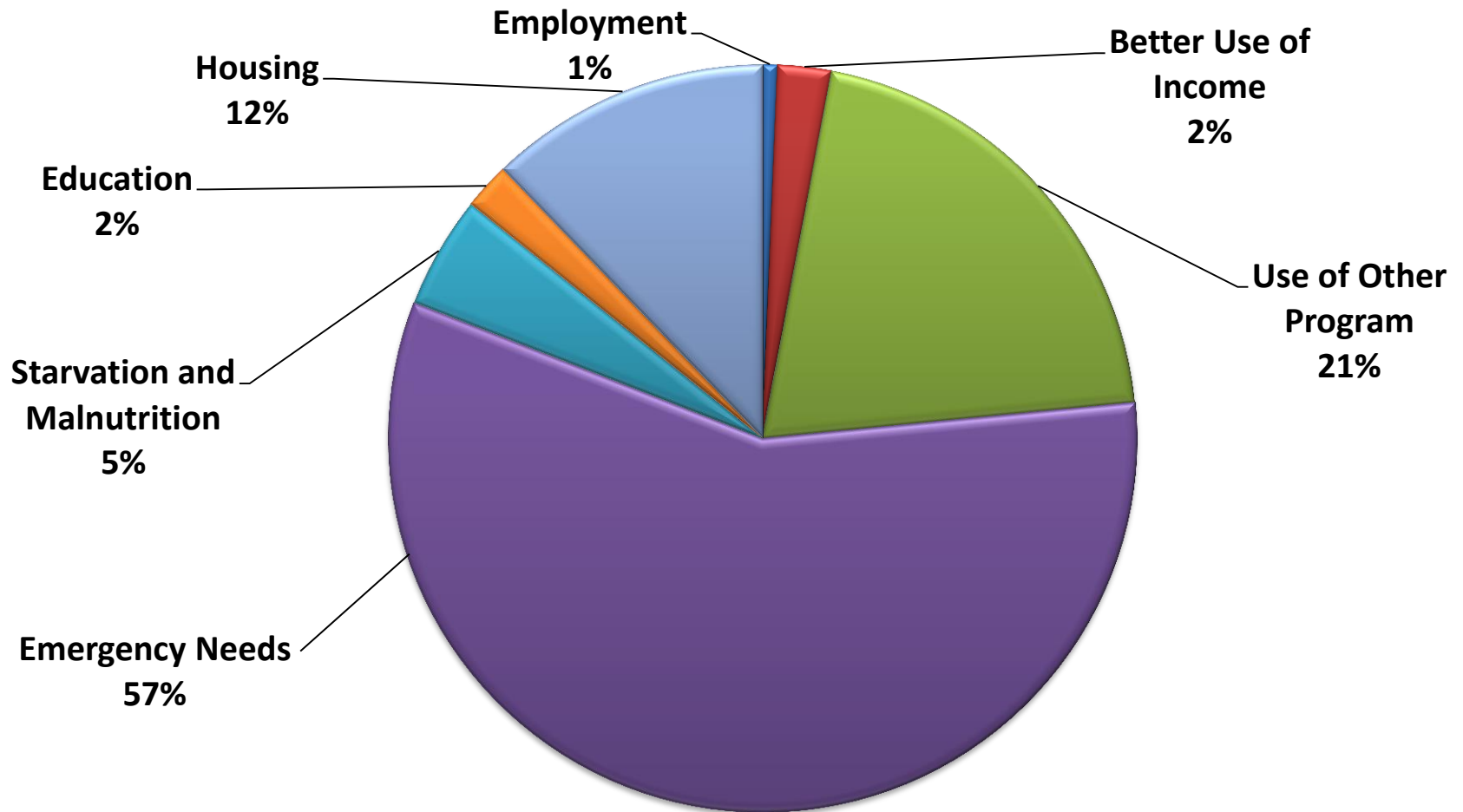


# Persons Served by Entity in 2013

• City of Phoenix Human Services Department	<b>57,773</b>
• Mesa Community Action Network	<b>7,492</b>
• City of Glendale Community Action Program	<b>2,896</b>
• Maricopa County Human Services Department	<b>19,843</b>
• Pima County Community Action Agency	<b>28,605</b>
• Northern Arizona Council of Governments	<b>4,066</b>
• Coconino County Community Services Department	<b>2,944</b>
• Western Arizona Council of Governments	<b>14,235</b>
• Southeastern Arizona Community Action Program	<b>8,481</b>
• Community Action Human Resources Agency	<b>5,928</b>
• Gila County Community Action Agency	<b>3,396</b>
• Portable, Practical, Education Preparation, Inc.	<b>9,805</b>



# SFY 2013 Statewide Expenditures



# Oversight

The Department of Economic Security (DES) conducts an onsite monitoring of each eligible entity at least once every two years. DES conducts follow up visits of entities with findings and requires the entity provide a corrective improvement plan to resolve the findings and a plan for addressing any recommendations.

Performance management is conducted through the review of information collected for Results Oriented Management and Accountability.



# Proof of Eligibility

Documentation is required for the following:

- Regarding proof of identity (State issued ID with photo, Work or School ID)
- Citizenship/lawful presence (birth certificate, naturalization papers, passport/passport card with right to work verification stamp, green card)
- Residency (proof of 30 days residency required, proof of lease, rental agreement, utility bills)
- Income (original paycheck stubs, Social Security award letter or other State or federal benefit award letter)



# Preventing Fraud

- Funds do not pass directly to program participants, but to vendors and/or service providers - providers must provide name, address and W9 information to the Community Action Agency
- Communication amongst eligible entities
- Program monitoring - reviewing case files
- Fiscal/Contract monitoring - review of agency expenditures and legal compliance
- Misspent funds are recaptured by the State



# What Happens if Fraud is Detected?

CAAs have written policies and mechanisms in place - known fraud/abuse must be reported to ADES/DAAS once identified and efforts to correct it.

Report suspected fraud, waste or abuses to ADES at <https://www.azdes.gov/forms.aspx?menu=10&form=4825> or call 1-800-251-2436.

Allegations of fraud or abuse may also be referred directly to the HHS hotline maintained by the Office of the Inspector General using the following contact information: 1-800-HHS-TIPS (1-800-447-8477) <http://oig.hhs.gov/fraud/hotline/>



Thank you for your time and  
support.

